GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

STARRED QUESTION NO:184
ANSWERED ON:03.08.2001
LOSSES SUFFERED BY SUPER BAZAR
NARESH KUMAR PUGLIA

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) the total loss suffered by the Super Bazar so far;

(b) the main reasons for the loss; and (

(c) the remedial measures being taken?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (SHRI V. SREENIVASA PRASAD)

(a) to (c): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN PART (A) TO (C) OF REPLY TO LOK SABHA STARRED QUESTION NO. 184 FOR 3.8.2001 REGARDING LOSSES SUFFERED BY SUPER BAZAR.

(a) : As on 31st March, 2001, the accumulated losses suffered by Super Bazar are Rs. 39.28 crores (un-audited).

(b) : The losses in Super Bazar are inter alia due to lack ofprofessionalism in management, mismanagement and corruption of employees, disproportionate Wage revisions without corresponding increase in volume of business, reduction in credit from suppliers, reducing turnover with disproportionate large number of employees, increasing level of fixed costs and inadequacy of working capital.

(c) : The remedial measures inter alia taken so far are as under:-

(i) Reduction of expenditure through economy measures;

(ii) Temporary closure of non-viable outlets;

(iii) Rationalisation in the deployment of staff;

(iv) Steps to recover outstanding dues of Super Bazar;

(v) Providing greater emphasis on quicker turnover in respect of items having better margins;

(vi) Implementation of policy to pay suppliers after realization;

(vii) Enhancing the margin from 8% to 15% in selected products to earn more.